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TOWN OF MOORINGSPORT, LOUISIANA

FINANCIAL STATEMENTS

June 30, 2009

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Release Date 1/20/10

Marsha O. Millican
Certified Public Accountant
Shreveport, Louisiana

TOWN OF MOORINGSPORT, LOUISIANA

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June 30, 2009

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Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Honorable Lynn Porter, Mayor
and members of the Board of Aldermen
Town of Mooringsport, Louisiana

I have reviewed the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Mooringsport, Louisiana as of and for the year ended June 30, 2009 which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Town of Mooringsport's management.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion on the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report dated December 31, 2009 on the results of my agreed-upon procedures.

The management's discussion and analysis and budgetary comparison information on pages 2 through 6 and 23 are not a part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but was compiled from information that is the representation of management, without audit or review. Accordingly, I do not express an opinion or any other form of assurance on the supplemental information.

My review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles. The information listed in the table of contents as other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and I am not aware of any material modifications that should be made thereto.

Certified Public Accountant
December 31, 2009

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Town of Mooringsport
PO Box 9
Mooringsport, LA 71060

Lynn Porter
Mayor

Dale Nix Jr.
Chief of Police

TOWN OF MOORINGSPO, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2009

Amber Warner
Town Clerk

The Management's Discussion and Analysis of Town of Mooringsport's financial performance presents a narrative overview and analysis of Town of Mooringsport's financial activities for the year ended June 30, 2009. The document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the Town's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Governmental Activities

- 1) Town of Mooringsport had cash and cash equivalents of \$42,895 at June 30, 2009, which represents a decrease of \$47,036 from prior year end.
- 2) Town of Mooringsport had accounts receivable of \$7,133 at June 30, 2009 which represents a decrease of \$1,387 from prior year end.
- 3) Town of Mooringsport had accounts payable and accruals of \$5,598 at June 30, 2009 which represents an decrease of \$1,764 from prior year end.
- 4) Town of Mooringsport had total revenues of \$216,596 for the year ended June 30, 2009 which represents an increase of \$51,192 from prior year.
- 5) Town of Mooringsport had expenses of \$345,138 for the year ended June 30, 2009 which represents an increase of \$77,232 from prior year.
- 6) Town of Mooringsport purchased capital assets of \$50,621 for the year ended June 30, 2009.

Business-Type Activities

- 1) Town of Mooringsport had cash of \$70,547 for the year ended June 30, 2009 which represents a decrease of \$14,851 from prior year.
- 2) Town of Mooringsport had accounts receivable of \$26,318 for the year ended June 30, 2009 which represents a decrease of \$969 from prior year.
- 3) Town of Mooringsport had accounts payable and accruals of \$9,148 for the year ended June 30, 2009 which represents an increase of \$2,380 from prior year.
- 4) Town of Mooringsport had total revenues of \$210,765 for the year ended June 30, 2009 which represents a decrease of \$7,538 from prior year.
- 5) Town of Mooringsport had total expenses of \$255,889 for the year ended June 30, 2009 which represents an increase of \$14,903 from prior year.
- 6) Town of Mooringsport had no capital asset purchases for the year ended June 30, 2009.

TOWN OF MOORINGSPOUT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2009

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for the Town of Mooringsport as established by Governmental Accounting Standards Board Statement 24. Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments.

Management Discussion and Analysis

Basic Financial Statements

Required Supplementary Information
(Other than MD&A)

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 8 and 9) provide information about the activities of Town of Mooringsport as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 10. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds.

Reporting the Town as a Whole

The Statement of Net Assets and the Statement of Activities

One of the most important questions asked about the Town's finances is, "Is the Town as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

TOWN OF MOORINGSPORT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2009

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

These two statements report the Town's Net assets and changes in them. You can think of the Town's net assets, the difference between assets and liabilities, as one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net assets are one indicator of whether its financial health is improving or deteriorating.

In the Statement of Net Assets and the Statement of Activities, we divide the Town into two kinds of activities:

Governmental Activities

Most of the Town's basic services are reported here including the police and general administration. Taxes, license and permits, fines, interest income and state and federal grants finance most of these activities.

Business-Type Activities

The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's water and sewer system are reported here.

Reporting the Town's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, the Town Council may establish other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Town's two kind of funds, governmental and proprietary, use different accounting approaches.

Governmental Funds

Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left a year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short term view of the Town's general governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's activities as well as what remains for future spending.

Proprietary Funds

When the Town charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and Statement of Activities. In fact, the Town's enterprise funds are the same as the business-type activities we reported in the government-wide statements but provide more detail and additional information, such as cash flows.

TOWN OF MOORINGSPOUT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2009

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
At Year End

	Governmental Activities 2009	Business Activities 2009	Governmental Activities 2008	Business Activities 2008
Current and other assets	\$ 216,596	\$ 139,039	\$ 223,760	\$ 142,690
Capital assets, net	<u>316,554</u>	<u>1,157,959</u>	<u>279,571</u>	<u>1,218,754</u>
Total Assets	<u>\$ 533,150</u>	<u>\$ 1,296,998</u>	<u>\$ 503,331</u>	<u>\$ 1,361,444</u>
Other liabilities	57,772	16,114	\$ 15,324	\$ 13,734
Notes payable	15,216	-	-	-
Customer deposits	-	23,830	-	45,532
Total Liabilities	<u>72,988</u>	<u>39,944</u>	<u>15,324</u>	<u>59,266</u>
Net assets				
Investment in capital assets,				
Net of related debt	301,881	1,148,959	279,571	1,218,325
Restricted for customer deposits	-	12,423	-	12,105
Unrestricted	<u>158,824</u>	<u>95,672</u>	<u>208,436</u>	<u>71,319</u>
Total Net Assets	<u>460,152</u>	<u>1,257,054</u>	<u>488,007</u>	<u>1,302,178</u>
Total Liabilities & Net Assets	<u>\$ 533,150</u>	<u>\$ 1,296,998</u>	<u>\$ 503,331</u>	<u>\$ 1,361,444</u>

Net assets of Town of Mooringsport decreased by \$27,845 and decreased by \$45,124 from the previous fiscal year in Governmental Activities and Business-Type Activities respectively. These changes are the result of operating and other expenses being less than/exceeding operating and nonoperating revenues during the fiscal year ended 2009 (See table below).

Statement of Activities
As of Year End

	Government 2009	Business 2009	Government 2008	Business 2008
General Government				
Expenses	\$ (301,952)	\$ (255,889)	\$ (224,720)	\$ (240,986)
Program revenues				
Charges for services	89,837	204,639	78,135	194,808
Operating and capital grants and Contributions	<u>44,212</u>	<u>-</u>	<u>7,962</u>	<u>25,000</u>
Subtotal	(167,903)	(51,250)	(138,623)	(21,178)
General revenues and transfers	<u>140,058</u>	<u>6,126</u>	<u>128,817</u>	<u>23,495</u>
Change in net assets	<u>\$ (27,845)</u>	<u>\$ (45,124)</u>	<u>\$ (9,806)</u>	<u>\$ 2,317</u>

Town of Mooringsport's total revenues increased by \$59,192 and decreased by \$7,538 from the previous fiscal year in Governmental Activities and Business-Type Activities respectively. The total cost of all programs and services increased by \$77,232 and increased \$14,903 from the previous fiscal year in Governmental Activities and Business-Type Activities respectively.

TOWN OF MOORINGSPORE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2009

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2009, Town of Mooringsport had \$316,554 and \$1,157,959 net of depreciation in Governmental Activities and Business-Type Activities, respectively, invested in a broad range of capital assets.

Town of Mooringsport borrowed \$21,420 from a bank to finance the purchase of a police car. During the year ended June 30, 2009, Town of Mooringsport reduced its indebtedness by \$6,203.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Actual revenues were \$39,058 more than budgeted amounts.

Actual expenditures were \$87,798 more than budgeted amounts.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Town of Mooringsport's elected officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Taxes
- 2) Intergovernmental revenues (state and local grants)
- 3) License and permits
- 4) Fines

Town of Mooringsport does not expect any significant changes in next year's results as compared to the current year.

CONTACTING TOWN OF MOORINGSPORE'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of Town of Mooringsport's finances and to show the Town of Mooringsport's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Lynn Porter, Mayor of Town of Mooringsport, Post Office Box 9, Mooringsport, Louisiana 71060.

TOWN OF MOORINGSPORT, LOUISIANA
STATEMENT OF NET ASSETS
JUNE 30, 2009

ASSETS	Governmental Activities	Business-Type Activities	Total
Current Assets			
Cash	\$ 42,895	\$ 34,294	\$ 77,189
Investments	97,428	-	97,428
Accounts receivable	7,133	26,318	33,451
Grants receivable	52,174	-	52,174
Due from other funds	16,966	42,174	59,140
Total Current Assets	216,596	102,786	319,382
Noncurrent Assets			
Restricted cash	-	36,253	36,253
Capital assets, net	316,554	1,157,959	1,474,513
Total Noncurrent Assets	316,554	1,194,212	1,510,766
Total Assets	533,150	1,296,998	1,830,148
LIABILITIES AND NET ASSETS			
LIABILITIES			
Current Liabilities			
Accounts payable and accruals	5,598	9,148	14,746
Current portion of long-term debt	5,280	-	5,280
Due to other funds	52,174	6,966	59,140
Total current liabilities	63,052	16,114	79,166
Noncurrent Liabilities			
Long-term debt, net of current portion	9,936	-	9,936
Customer deposits	-	23,830	23,830
Total Noncurrent liabilities	9,936	23,830	33,766
Total liabilities	72,988	39,944	112,932
NET ASSETS			
Investment in capital assets, Net of related debt	301,338	1,148,959	1,450,297
Restricted for customer deposits	-	12,423	12,423
Unrestricted	158,824	95,672	254,496
Total Net Assets	460,162	1,257,054	1,717,216
Total Liabilities and Net Assets	\$ 533,150	\$ 1,296,998	\$ 1,830,148

TOWN OF MOORINGSPORT, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities							
General Government	\$ 150,082	\$ -	\$ -	\$ 44,212	\$ (105,870)	\$ -	\$ (105,870)
Public Safety	107,626	58,013	-	-	(49,613)	-	(49,613)
Streets	2,006	-	-	-	(2,006)	-	(2,006)
Sanitation	28,600	31,824	-	-	3,224	-	3,224
Depreciation	13,638	-	-	-	(13,638)	-	(13,638)
Total Governmental Activities	301,952	89,837	-	44,212	(167,903)	-	(167,903)
Business-Type Activities							
Utility Fund	255,889	204,639	-	-	-	(51,250)	(51,250)
Total Business-Type Activities	255,889	204,639	-	-	-	(51,250)	(51,250)
Total Primary Government	\$ 557,841	\$ 294,476	\$ -	\$ 44,212	(167,903)	(51,250)	(219,153)
General Revenues							
Taxes							
Miscellaneous					104,084	-	104,084
Transfers					35,974	6,126	42,100
Total General Revenues and Transfers					140,058	6,126	146,184
Change in Net Assets					(27,845)	(45,124)	(72,969)
Net Assets, Beginning of Year					488,007	1,302,178	1,790,185
Net Assets, End of Year					\$ 460,162	\$ 1,257,054	\$ 1,717,216

See accountant's review report and notes to financial statements.

TOWN OF MOORINGSPORT, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
ASSETS			
Cash	\$ 42,895	\$ -	\$ 42,895
Investments	97,428		97,428
Taxes and Grants Receivable	7,133	-	7,133
Grants Receivable	-	52,174	52,174
Due from other funds	16,966		16,966
Prepaid expenses	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 164,422</u>	<u>\$ 52,174</u>	<u>\$ 216,596</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 5,598	\$ -	\$ 5,598
Due to other funds	-	52,174	52,174
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	5,598	52,174	57,772
Fund Balances			
Unreserved	158,824	-	158,824
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	158,824	-	158,824
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 164,422</u>	<u>\$ 52,174</u>	<u>\$ 216,596</u>

TOWN OF MOORINGSPORT, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2009

Total Fund Balance for Governmental Funds	\$ 158,824
Total Net Assets for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	316,554
Notes payable are not reported as revenue in the government wide funds	<u>(15,216)</u>
Total Net Assets of Governmental Activities	<u>\$ 460,162</u>

See accountant's review report and notes to financial statements.

TOWN OF MOORINGSPORT, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Total</u>
Revenues			
Taxes			
Ad Valorem	\$ 17,266	\$ -	\$ 17,266
Licenses and Permits	46,306	-	46,306
Sales	40,512	-	40,512
Intergovernmental	-	44,212	44,212
Garbage Fees	31,824	-	31,824
Fines	58,013	-	58,013
Miscellaneous	35,974	-	35,974
Total Revenues	<u>229,895</u>	<u>44,212</u>	<u>274,107</u>
Expenditures			
General Government	162,694	-	162,694
Public Safety	107,626	-	107,626
Streets	2,006		2,006
Sanitation	28,600		28,600
Capital Projects	-	44,212	44,212
Total Expenditures	<u>300,926</u>	<u>44,212</u>	<u>345,138</u>
Net Change in Fund Balances before Other Financing Sources	(71,031)	-	(71,031)
Other Financing Sources			
Proceeds from Borrowing	<u>21,420</u>	<u>-</u>	<u>21,420</u>
Net Change in Fund Balances	(49,611)	-	(49,611)
Fund Balances, Beginning of year	<u>208,435</u>	<u>-</u>	<u>208,435</u>
Fund Balances, End of year	<u>\$ 158,824</u>	<u>-</u>	<u>\$ 158,824</u>

TOWN OF MOORINGSPORT, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Net Changes in Fund Balances - Total Governmental Funds \$ (49,611)

The change in Net Assets reported for governmental activities
in the statement of activities is different because:

Governmental funds report capital outlays as
expenditures. However, in the statement of
activities the cost of those assets is allocated
over their estimated useful lives and reported
as depreciation expense. This is the amount
by which capital outlay (50,621) exceeds
depreciation (13,638) 36,983

Proceeds from borrowings are reported in the funds as
other financing sources (21,420)

Some expenses reported in the statement of activities do not
require the use of current financial resources and these are not reported
in governmental funds

Principal payments on debt 6,203

Change in Net Assets of Governmental Activities \$ (27,845)

See accountant's review report and notes to financial statements.

TOWN OF MOORINGSPORT, LOUISIANA
STATEMENT OF NET ASSETS
PROPRIETARY FUND
JUNE 30, 2009

Assets	
Current Assets	
Cash	\$ 34,294
Accounts receivable	26,318
Due from other funds	42,174
Total Current Assets	<u>102,786</u>
Restricted Assets	
Cash and cash equivalents	13,068
Investments	23,185
Total Restricted Assets	<u>36,253</u>
Noncurrent Assets	
Capital Assets, Net	
Total Noncurrent Assets	<u>1,157,959</u>
Total Assets	<u>\$ 1,296,998</u>
Liabilities and Fund Balances	
Liabilities	
Accounts payable and accruals	\$ 9,148
Due to other funds	6,966
Total Current Liabilities	<u>16,114</u>
Noncurrent Liabilities	
Customer deposits	23,830
Total Noncurrent Liabilities	<u>23,830</u>
Total Liabilities	39,944
Net Assets	
Investments in capital assets,	
Net of related debt	1,157,959
Restricted for customer deposits	12,423
Unrestricted	86,672
Total Net Assets	<u>1,257,054</u>
Total Liabilities and Net Assets	<u>\$ 1,296,998</u>

TOWN OF MOORINGSPORT, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

OPERATING REVENUES

Charges for Services	\$ 204,639
Miscellaneous	<u>6,126</u>
Total Operating Revenues	<u>210,765</u>

OPERATING EXPENSES

Personal Services	88,576
Utilities	12,969
Repair and maintenance	42,611
Other supplies and expenses	39,449
Insurance	11,489
Depreciation	<u>60,795</u>
Total Operating Expenses	<u>255,889</u>

Changes in Net Assets	(45,124)
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Net Assets, Beginning of Year	<u>1,302,178</u>
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Net Assets, End of Year	<u><u>\$ 1,257,054</u></u>
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See accountant's review report and notes to financial statements.

TOWN OF MOORINGSPORT, LOUISIANA
STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
YEAR ENDED JUNE 30, 2009

Cash flows from operating activities:	
Cash received from customers	\$ 205,609
Cash payments to suppliers and employees	(248,629)
Other operating income	<u>6,126</u>
Net cash provided by operating activities	<u>(36,894)</u>
 Cash flows from investing activities	
Increase in investments	<u>(1,142)</u>
 Net increase in cash	(38,036)
 Cash, July 1, 2008 (including \$11,384 in restricted accounts)	<u>85,398</u>
 Cash, June 30, 2009 (including \$13,068 in restricted accounts)	<u>\$ 47,362</u>
 Reconciliation of changes in net assets to net cash provided by operating activities:	
Changes in Net Assets	\$ (45,124)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	60,795
Changes in assets and liabilities	
Decrease in accounts receivable	970
Increase in due from other funds	(34,213)
Increase in due to other funds	-
Increase in accounts payable	2,380
Decrease in customer deposits	<u>(21,702)</u>
Net cash provided by operating activities	<u>\$ (36,894)</u>

See accountant's review report and notes to financial statements.

TOWN OF MOORINGSPOORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Town of Mooringsport was incorporated 1934, under the provisions of the Lawrason Act. The Town operates under a Mayor-Town Council form of government. The Town's major operations include public safety, streets, recreation and parks, utilities, and general administrative services.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accompanying financial statements of the Town of Mooringsport have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, issued in June 1999.

B. Reporting Entity

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, Town of Mooringsport is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that Town of Mooringsport may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

C. Government - Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets, Exhibit A, and the Statement of Activities, Exhibit B) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include a) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and b) grants and contributions that are restricted to meetings the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

(Continued)

TOWN OF MOORINGSPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Ad valorem taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Sales and use tax revenues are recorded in the month collected by the tax collector. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchases of various operating supplies are regarded as expenditures at the time purchased.

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of capital assets, debt extinguishment, long-term proceeds, et cetera) are accounted for as other financing sources/(uses). These other financing sources/(uses) are recognized at the time the underlying events occur.

Town of Mooringsport reports the following governmental, proprietary and fiduciary funds:

Governmental Funds

Governmental funds account for all or most of Town of Mooringsport's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term obligations.

General Fund - is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. General tax revenues and other sources of revenue used to finance the fundamental operations of the Town are included in this fund. The fund is charged with all cost of operating the government for which a separate fund has not been established.

(Continued)

TOWN OF MOORINGSPORE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Proprietary Funds

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Town of Mooringsport applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Enterprise Fund - is used to account for operations a) that are financed/operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or b) where the governing body has decided the periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the governments enterprise operations. Elimination of those charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include a) charges to customers or applicants for goods, services, or privileges provided, b) operating grants and contributions, and c) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

E. Budgetary Accounting

Formal budgetary accounting is employed as a management control. Town of Mooringsport prepares and adopts a budget each year for its general and utility funds in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the full accrual basis of accounting. The Town amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

(Continued)

TOWN OF MOORINGSPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows and consistent with GASB Statement 9, the Town defines cash and cash equivalents as follows:

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

G. Receivables

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

H. Bad Debts

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At June 30, 2006, \$0 and \$538 of Governmental and Business-Type Activities receivables, respectively, were considered to be uncollectible.

I. Capital Assets

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets that have been purchased that have a useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the Government-Wide Statement of Net Assets. In contrast, in the Fund Financial Statements, capital assets are recorded as expenditures of the fund that provided the resources to acquire the asset. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, then it is recorded at its estimated fair market value at the date of donation.

Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and other improvements, 10 to 25 years for the distribution system and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

J. Sales Taxes

The Town collections a one (1) percent sales and use tax with the net proceeds, after deducting costs of collection and administration, dedicated to construction, acquiring, extending, improving and/or maintaining drainage facilities, streets, street lighting facilities, bridges, sidewalks, waterworks, sewers and sewer disposal works, recreational facilities, public parks, public buildings and equipment, payment of salaries of municipal employees, maintaining and operating the municipal police department including the purchase of equipment thereof, or for any one or more of said purposes, title to which improvements shall be in the public.

(Continued)

TOWN OF MOORINGSFORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Compensated Absences

Leave cannot be accumulated or carried over from one year to the next. Therefore, no liability for compensated absences has been recorded in the accompanying financial statements.

L. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates

NOTE 2 LEVIED TAXES

Town of Mooringsport levies taxes on real and business personal property located within its boundaries. The Parish Tax Assessor assesses the property values and prepares the Town's property tax roll. The Town bills and collects its own property taxes. Ad valorem taxes are levied and billed to the taxpayer in December, and are payable upon receipt of notice. Ad valorem taxes attach as an enforceable lien on property as of December 31, of each year. Taxes of 10.65 mills were levied on property with assessed valuations totaling 1,654,550 and were dedicated for general operating purposes. Ad valorem taxes levied were \$14,621. Taxes receivable at June 30, 2009 totaled \$787.

NOTE 3 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

A. Deposits with Financial Institutions

For reporting purposes, deposits with financial institutions includes savings, demand deposits, time deposits, and certificates of deposit. Under state law the Town may deposit funds within a fiscal agent bank selected and designated by the Town Council. Further the fund may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The carrying amount of the Town's deposits at year end was \$210,270 (exclusive of \$600 petty cash) and the bank balance was \$227,098. The difference is due to outstanding checks at year end. Fund on deposit at banks at June 30, 2009. All deposits were fully insured by FDIC insurance.

(Continued)

TOWN OF MOORINGSFORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

NOTE 4 ACCOUNTS RECEIVABLE

The following is a summary of accounts receivable at June 30, 2009:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Taxes			
Ad valorem	\$ 877	\$ -	\$ 877
Franchise	2,314	-	2,314
Sales	3,942	-	3,942
Charges for services	-	26,318	26,318
Other	-	-	-
Total	<u>\$ 7,133</u>	<u>\$ 26,318</u>	<u>\$ 33,451</u>

NOTE 5 CAPITAL ASSETS

A summary of Town of Mooringsport's capital assets at June 30, 2009 follows:

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2009</u>
Government Activities				
Capital Assets, not being depreciated				
Land	\$ 59,269	\$ -	\$ -	\$ 59,269
Total Capital Assets, not being depreciated	59,269	-	-	59,269
Capital Assets, being depreciated				
Buildings and other improvements	301,192	-	-	301,192
Less accumulated depreciation	(86,239)	(8,214)	-	(94,453)
Total Buildings & Building Improvements	214,953	(8,214)	-	206,739
Equipment, furniture & fixtures	182,152	50,621	-	232,773
Less accumulated depreciation	(176,803)	(5,424)	-	(182,227)
Total Equipment, Furniture & Fixtures	5,349	45,197	-	50,546
Total Capital Assets, being depreciated	220,302	36,983	-	257,285
Total Capital Assets, net	<u>\$ 279,571</u>	<u>\$ 36,983</u>	<u>\$ -</u>	<u>\$ 316,554</u>
Business-Type Activities				
Capital Assets, not being depreciated				
Land	\$ 5,307	\$ -	\$ -	\$ 5,307
Total Capital Assets, not being depreciated	5,307	-	-	5,307
Capital Assets, being depreciated				
Distribution system	2,505,941	-	-	2,505,941
Less accumulated depreciation	(1,297,717)	(56,572)	-	(1,354,289)
Total Distribution System	1,209,224	(56,572)	-	1,151,652
Equipment, furniture & fixtures	52,285	-	-	52,285
Less accumulated depreciation	(48,062)	(4,223)	-	(52,285)
Total Equipment, furniture & fixtures	4,223	(4,223)	-	-
Total Capital Assets, being Depreciated	1,213,447	(60,795)	-	1,151,652
Total Capital Assets, net	<u>\$ 1,218,754</u>	<u>\$ (60,795)</u>	<u>\$ -</u>	<u>\$ 1,157,959</u>
Primary Government				
Total Capital Assets, net	<u>\$ 1,498,325</u>	<u>\$ (23,812)</u>	<u>\$ -</u>	<u>\$ 1,474,513</u>

(Continued)

TOWN OF MOORINGSPORE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

NOTE 6 ACCOUNTS PAYABLE AND ACCRUALS

The following is a summary of accounts payable at June 30, 2009.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Vendor	\$ 3,175	\$ 5,708	\$ 8,883
Payroll taxes	2,423	3,440	5,863
Other	-	-	-
Total	<u>\$ 5,598</u>	<u>\$ 9,148</u>	<u>\$ 14,746</u>

NOTE 7 RISK MANAGEMENT

Town of Mooringsport is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town.

NOTE 8 LITIGATION

The Town is a party to litigation as a defendant in a class action lawsuit regarding the Utility Fund. Legal representation for the Town estimates no monetary exposure for the Town.

NOTE 10 RETIREMENT PLAN

All eligible employees of Town of Mooringsport are participants in the Municipal Employees Retirement System of Louisiana, Plan A. Under this plan, employees contribute 9.25% of their earnings and the Town contributes 13.5 of their earnings. Contributions by the Town for the year ended June 30, 2009 on eligible wages of \$15,560 were \$1,439.

NOTE 11 NOTES PAYABLE

Notes payable at June 30, 2009 consisted of the following:

Note payable to a bank dated February 13, 2009 bearing interest at 5%, due in forty eight monthly payments of \$493, collateralized by vehicle	\$ 15,216
Less: current maturities	<u>5,280</u>
Long-term debt payable	<u>\$ 9,936</u>

Maturities of debt including interest of \$ 1,045 are as follows:
June 30, 2010 - \$5,916; June 30, 2011 - \$5,916; June 30, 2012 - \$4,429.

NOTE 12 COMMUNITY DEVELOPMENT BLOCK GRANT

On June 19, 2008, the Town was awarded a community development block grant in the amount of \$365,000 for fire protection. Revenue and expenditures under this grant for the year ended June 30, 2009 were \$44,212.

TOWN OF MOORINGSPORT, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUNDS - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes				
Ad Valorem	\$ 15,500	\$ 16,760	\$ 17,266	\$ 506
Licenses & Permits	48,100	37,877	46,306	8,429
Sales	63,000	47,000	40,512	(6,488)
Fines	40,000	44,000	58,013	14,013
Garbage Fees	37,313	36,000	31,824	(4,176)
Miscellaneous	9,900	9,200	35,974	26,774
Total revenues	<u>213,813</u>	<u>190,837</u>	<u>229,895</u>	<u>39,058</u>
Expenditures:				
General government	134,696	143,474	162,694	(19,220)
Public Safety	48,800	47,467	107,626	(60,159)
Highways and streets	2,700	1,687	2,006	(319)
Sanitation	27,500	27,500	28,600	(1,100)
Total Expenditures	<u>213,696</u>	<u>220,128</u>	<u>300,926</u>	<u>(80,798)</u>
Excess of Revenues Over Expenditures Before Other Financing Sources	117	(29,291)	(71,031)	(41,740)
Other Financing Sources				
Transfers In	-	32,676	-	(32,676)
Proceeds from borrowing	<u>-</u>	<u>-</u>	<u>21,420</u>	<u>21,420</u>
Excess of Revenues Over Expenditures	117	3,385	(49,611)	(52,996)
Fund Balances, Beginning	<u>208,435</u>	<u>208,435</u>	<u>208,435</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 208,552</u>	<u>\$ 211,820</u>	<u>\$ 158,824</u>	<u>\$ (52,996)</u>

OTHER SUPPLEMENTARY INFORMATION

TOWN OF MOORINGSPOINT, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO
MEMBERS OF THE BOARD OF ALDERMEN
YEAR ENDED JUNE 30, 2009

Honorable Lynn Porter, Mayor	\$ 4,080
Cathy Cogley	600
Joseph Hawkins	600
Larry Klepac	600
George Moore	<u>600</u>
Total	<u>\$ 6,480</u>



Marsha O. Millican
CERTIFIED PUBLIC ACCOUNTANT

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES**

The Honorable Lynn Porter, Mayor
and the Town Council
Town of Mooringsport, Louisiana

I have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Town of Mooringsport, Louisiana and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Town of Mooringsport's compliance with the certain laws and regulations during the year ended June 30, 2009 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Governmental Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which the report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during th year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

The Town of Mooringsport made no expenditures during the year for materials and supplies exceeding \$20,000 or for public works exceeding \$100,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided me with the required list including the noted information.

3. Obtain from management a list of all employees paid during the period under examination.

Management provided me with the required list

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management, agreed-upon procedure (3), appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided me a copy of the legally adopted budget and all amendments.

6. Trace the budget adoption and amendments to the minute book.

I traced the adoption of the original budget to the minutes of a meeting held on June 11, 2008. The budget was amended on June 14, 2009.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenue failed to meet budget revenue by less than 5%. Actual expenditures exceeded budgeted expenditures by more than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee,

I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee

(b) determine if payments were properly coded to the correct fund and general ledger account, and

The six disbursements were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities

Inspection of documentation supporting each of the six selected disbursements indicated that the disbursements were made with approval from proper authorities.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

I examined public notices and agendas which management asserts were posted in a timely fashion.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

I examined the bank deposits made during 2009. The Town borrowed \$21,420 from a bank to purchase a police vehicle. The debt was incurred in accordance with Article VII, Section 8 of the 1974 Louisiana Constitution.

Advances and Bonuses

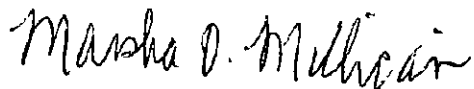
11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

I examined the payroll records and minutes. I noted no payments that constituted bonuses, advances, or gifts.

While concluding these agreed-upon procedures, I became aware of other matters relating to internal control and compliance with laws and regulations which are reported in the accompanying Schedule of Findings.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of any opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Town of Mooringsport, Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Certified Public Accountant
December 31, 2009

TOWN OF MOORINGSPORT, LOUISIANA

Schedule of Findings

Year Ended June 30, 2009

Finding #2009-1:

Condition: The segregation of duties is inadequate to maintain effective internal control.

Cause: The condition is due to economic and space limitations.

Recommendation: No action is recommended.

Management's Response: We agree with the finding. We will make every effort to segregate duties as allowed by space and economic limitations.

Finding #2009-2:

Condition: The Town did not maintain adequate accounting records for the year ended June 30, 2009.

Cause: The software utilized by the Council, as installed, does not produce complete and accurate reports for the General Fund or the Utility Fund.

Recommendation: The Town should hire a consultant to effect changes to the software utilized by the Town to provide adequate and correct accounting information for all funds.

Management's Response: We agree with the finding. The Town hired a consultant and improved the Town's accounting records somewhat, but we will engage a consultant to make the remaining necessary changes to our software.

Finding #2009-3:

Condition: The Town is not in compliance with the Louisiana Budget Act.

Cause: Although the Town amended the budget, actual expenditures exceeded budgeted expenditures by more than 5%.

Recommendation: I recommend the Town comply with the Louisiana Budget Act.

Management's Response: We agree with the finding. We inadvertently did not budget capital outlay. We will comply with the Louisiana Budget Act in the future.

TOWN OF MOORINGSPORT, LOUISIANA
Corrective Action Taken on Prior Year Findings

For the Year Ended June 30, 2009

FINDING 2008-1:

Town employees perform interrelated duties.

STATUS: Unresolved.

FINDING 2008-2:

The Town did not maintain adequate accounting records for the year ended June 30, 2008.

STATUS: Unresolved.

Town of Mooringsport
PO Box 9
Mooringsport, LA 71060

Lynn Porter
Mayor

Dale Nix Jr.
Chief of Police

Amber Warner
Town Clerk

LOUISIANA ATTESTATION QUESTIONNAIRE
December 30, 2009

Marsha O. Millican, CPA
810 Wilkinson Street
Shreveport, LA 71104

In connection with your review of our financial statements as of June 30, 2009 , and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of December 31, 2009

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes [X] No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [X] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [X] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [] No [X]

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [X] No []

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.
Yes [☒] No [☐]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.
Yes [☒] No [☐]

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.
Yes [☒] No [☐]

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [☐] No [☒]

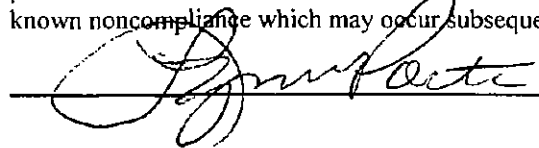
Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [☒] No [☐]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

 Mayor 12/31/09 Date